



Sacramento Metropolitan Fire District

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KURT P. HENKE
Fire Chief

BOARD OF DIRECTORS – ACTION SUMMARY Thursday, April 11, 2013 – 6:00 p.m.

City of Rancho Cordova City Hall-Council Chambers
2729 Prospect Park Drive
Rancho Cordova, California

CALL TO ORDER

The meeting was called to order by President Kelly. Board Members present: Clark, Goold, Jones, Kelly, Monk, Scheidegger. Directors Orzalli, Pierson, Wood, absent. Staff: Deputy Chief Holbrook, Board Clerk Tilson, General Counsel Lavra.

PLEDGE TO FLAG

METRO CABLE 14 ANNOUNCEMENT

The open session meeting is videotaped for cablecast on Metro Cable 14. Replay on Saturday, April 13, 2013 at 1:00 PM and Monday, April 15, 2013 at 9:00 PM on Channel 14; Webcast at www.sacmetro cable.tv.

The open session meetings are also available for viewing on the District website at www.metrofire.ca.gov

PUBLIC OPPORTUNITY TO DISCUSS MATTERS OF PUBLIC INTEREST WITHIN DISTRICT JURISDICTION INCLUDING ITEMS ON OR NOT ON THE AGENDA None

CONSENT AGENDA:

1. Board Meeting Action Summary – March 28, 2013
2. 3” Fire Hose Purchase—All Star Fire - \$56,681.86
3. Structural Firefighting Turnouts Purchase—Fisher Scientific – approx. \$270,000
4. Disclosure of Material Expenditure – 12-2 Recruit Academy Class - \$65,816.20

- **Board Action:**

Jones/Clark—Approve the Consent Agenda items. Roll Call: Directors Clark, Goold, Jones, Kelly, Monk, Scheidegger, AYE. Directors Orzalli, Pierson, Wood, absent. Motion passed.

ACTION ITEM(S):**1. Multiple Bid Award – Vegetation Management Services—(Iverson)**

- A two-page staff report was submitted containing a summary of the background information.
- The Community Risk Reduction (CRRD) staff met with the Sacramento County Code Enforcement Agency and the Cities of Citrus Heights and Rancho Cordova to discuss current and past weed abatement procedures for the compliance of weed abatement of private parcels. In past years, District personnel inspected previously flagged parcels; if property owners were not compliant after the second notice and inspection a list of such parcels was compiled and sent to the County and the Cities for abatement; approximately 100 combined parcels. The District and all agencies involved mutually agreed that it would be in the Public's best interest if the District would take over the weed abatement process as well.
- In response to a Request for Qualifications, the following two companies submitted a bid to perform Vegetation Management Services:
 - Scott & Sons Weed Control
 - Sacramento Regional Conservation Corps
- On a yearly basis the District forwarded approximately 100 parcels in a combined total for abatement to the respective agencies. This number is the baseline used to approximate the upfront cost for abatement of properties. Depending on the labor needed to abate each parcel, it is estimated that it would cost no more than \$1,000 per parcel. The approximate total cost of \$100,000 will be allocated in the FY 2013/2014 budget. The District will be paying the cost upfront and then get reimbursed from the property owners.
- Discussion included collection concerns; consideration of an outside agency performing the weed abatement and collection instead of the District; and the amount of cost recovery. It was pointed out that if the property owner doesn't comply with the notification process to abate, it is an incumbent responsibility upon the District to do the weed abatement to alleviate safety issues of life and property should a fire occur.
- Staff recommended the Board award the bid to both companies, Scott & Sons Weed Control and the Sacramento Regional Conservation Corps.
 - **Board Action:**
Jones/Goold—Approve the staff recommendation. Roll Call: Directors Clark, Goold, Jones, Kelly, Monk, Scheidegger, AYE. Directors Orzalli, Pierson, Wood, absent. Motion passed.

2. Revisions to Current Board Policies—(Deputy Chief Wells)

- A staff report was submitted accompanied by the proposed Board Policies 01.006.03 (Alternative Work Schedules), 01.003.03 Family and Medical Leave Act (FMLA), and 01.007.02 (Military Leave of Absence), with all changes highlighted in the policies.
- The newly revised policies were reviewed by the Policy Committee at its February 28, 2013 meeting and include recommended and approved changes.
- The District Management and Representatives of Sacramento Area Firefighters Local 522 have met and agreed on the proposed changes.
- Staff recommended the Board adopt the three policies with the proposed changes.
- **Board Action:**
Goold/Monk—Approve the staff recommendation. Roll Call: Directors Clark, Goold, Jones, Kelly, Monk, Scheidegger, AYE. Directors Orzalli, Pierson, Wood, absent. Motion passed.

PRESENTATION ITEM(S)

[Taken Out of Order after Consent Agenda]

1. Property Tax Revenue Forecast for FY 2013/2014—(Nichol Cone-HdL Coren & Cone/CFO Rhonda McFarlane)

- Chief Financial Officer McFarlane introduced Nichole Cohn, Property Tax Consultant for HdL Companies. HDL Companies has been advising the District on property tax matters since 2011. HDL couples technology and professionals experienced in property tax matters to provide expert advice to over 180 California public agencies. The District uses the information provided by HdL to develop its budget.
- In the current fiscal year, the District's property tax revenue declined \$2.4 million. Significant property tax appeals are progressing through the County Assessor's office and could potentially impact the District's revenues further at a later time. Since the economic downturn, the District's property tax losses total \$24.5 million per year. This has impacted the District's ability to provide public services.
- Ms. Cone gave a PowerPoint presentation containing insights on future property tax revenue for Fiscal Year 2013/2014 and how the District may be impacted by changes in the upcoming years, to include the following:

Increases in value lag because of timing issues –

- ✓ The cut-off date for values for FY 2013-14 was January 1, 2013.
- ✓ Revenue received was based on parcel values as much as 18 months prior
- ✓ New construction will take between 12-18 months to be seen in the value reported by the assessor

Appeals

- ✓ \$14.5 billion in commercial and industrial appeals pending hearing countywide, with unknown impact prior to board decision
- ✓ 31% of heard appeals are successful; when successful, 27.1% of the value is reduced

Foreclosures

- ✓ Below peak levels of 2009; bank-owned inventory decreasing; cash buyers buying for investments

Home Sale Trends

- ✓ Median prices indicate mild recovery; percentages of increase – Rancho Cordova up 3.2%; Citrus Heights up 8.2%; unincorporated county area up 7.9%.
- ✓ Inventory and sales have declined in lower cost areas, as higher demand pushed prices up

Sacramento Metro Fire Sales History

- ✓ Peak home sales were in year 2005 and early 2006 as shown in the bar graph; with a comparison chart of the median sale prices in the cities within Sacramento County

Proposition 8 – Countywide Impact

- ✓ Proposition 13 caps growth of taxable assessed value to 2% per year
- ✓ If the market value falls below the Proposition 13 value, Proposition 8 allows the property to temporarily be assessed at the lower value

Sacramento Metro Fire Prop 8 Potential Recapture History

- ✓ A chart illustrated the total percentage of decline for 2012 of 27.4% or \$7 billion; with percentages shown for the years 2008 through 2011
- ✓ Charts also illustrated the decline for the City of Rancho Cordova, the City of Citrus Heights, and the unincorporated area of Sacramento Metro Fire

Things to Remember When Budgeting Property Tax Revenue as the Recovery Strengthens

- ✓ The CPI for Fiscal Year 2013 will be 2%
- ✓ Commercial and industrial appeals will continue to impact some of the anticipated positive gains
- ✓ Future revenues from the dissolution of the Redevelopment Agencies will be uneven but should tend to increase over time
- ✓ In order for the District to see positive property value increases, the new construction or sales activity needs to be completed and enrolled by December 31
- ✓ Proposition 8 recapturing of value reductions applied by Assessors between 2008 and 2012 are not likely to be seen in large amounts
- ✓ The property tax roll is not a static roll. Changes happen every day that may impact your bottom line

Sacramento Metro Fire General Fund Revenue Estimate for FY 2013-14

- ✓ Figures shown on the chart take into account all items discussed:
 - CPI increase of 2%
 - All transfers of ownership assessed value change turned over in year 2012
 - Successful appeals reductions and Proposition 8 recapture of the value amount
 - **Estimated Total Percent Change for 2013-14 of 1.54%**

Five-Year Property Tax Revenue Projection through FY 2017-18

- ✓ A chart outlined the following estimates for projected percentage changes and rationale due to continuing Prop 8 recapturing and less successful appeals:

<u>Fiscal Year</u>	<u>Projected % Change</u>
2013-14	1.5% - 2.5%
2014-15	2.5% - 3.0%
2015-16	2.5% - 3.0%
2016-17	3.0% - 3.5%
2017-18	3.5% +

- Deputy Chief Holbrook thanked Ms. Cone and the Finance Department for the projection data and cautioned that the CalPERS medical increases are unknown but will definitely exceed our growth potential. The District is prepared to be flat-lined going into the budget season.
- On behalf of the Board, President Kelly thanked Ms. Cone for the presentation.

PRESIDENT'S REPORT—(Kelly) None

FIRE CHIEF'S REPORT—(DC Holbrook)

- April 3 – 11, 2013 – Fire Chief Henke attending the 2013 Metro Fire Chiefs Conference in Phoenix, Arizona – Acting Fire Chief Chris Holbrook
- April 13 – 17, 2013 – Fire Chief Henke attending Cap-to-Cap – Acting Fire Chief Mark Wells
Also attending: Rusty Dupray, Larry Davis, Director Jones, Director Orzalli, and Director Pierson
- March 29, 2013 – Attended the United States Coast Guard negotiations
- March 29, 2013 – PG&E site visit and meeting relative to a potential investor in the Zinfandel project
- April 2, 2013 – 201 / 224 Perspectives Workshop held
- April 11 – 12, 2013 – Every 15 Minutes program at Jesuit High School

- April 12, 2013 – Sacramento Metro Firefighters Association 2012 Retirement Dinner at the Croatian Center
- April 13, 2012 – Fire Station 24 Open House – 10:00 a.m. – 12 Noon
Additional Open Houses schedule: June 1, 2013 – Fire Station 29
 June 8, 2013 – Fire Station 26
 June 15, 2013 – Fire Station 29
 July 20, 2013 – Fire Station 105
- April 23 -24, 2013 – Command Staff Strategic Planning Workshop
- April 29, 2013 – Metro Fire Academy 13-1 commences
- May 17, 2013 – SRPP 13-2 Academy Graduation
- August 30, 2013 – “Swing for Public Safety” – Inaugural Golf Tournament
Benefiting the Sacramento Metro Public Safety Foundation –
Proceeds from this year’s tournament will help support
Metro Fire’s Fire Camp and delivery of Lucas Devices to
our community.

Reinstatement:

April 1, 2013 – Diana Schmidt, Fire Inspector II

Retirements:

March 31, 2013	Captain Jeffrey Rowland – 28 years of service
April 1, 2013	Fire Inspector Allen Sigl – 24 years of service
April 3, 2013	Firefighter Glenn Heustess – 21 years of service

Recruitment

Testing for the Single Role Paramedic Program and FireFighter will take place early next week

OPERATIONS REPORT – Deputy Chief Holbrook**EMS –**

Statistics since the last Board meeting:

Metro Fire with SRPP: 3,715 dispatches; transported 74% of the time.

AMR: 5 dispatches and transported 3 times

Fire Incidents –

10 structure fires since the last meeting.

GENERAL COUNSEL’S REPORT—(John Lavra) None

LOCAL 522 REPORT: None

COMMITTEE AND DELEGATE REPORTS:**Executive Committee—(President Kelly)**

- Met two weeks ago – nothing to report out.

Communications Center—(DC Cockrum)

- Reported on the last meeting. Based on preliminary budget estimates, our fees will not be increased for the coming fiscal year. This year the District paid over \$2.9 million for their services. Comm Center is now fully staffed with the hiring of 24 personnel over the past four months. The whole division has been restructured with a significant improvement in performance. Training at the JPA Tech Services Drive location and put in 11 CAD stations there. Anticipating a complete CAD upgrade in the 2014-2015 budget.
- Next Meeting: April 30, 2013 – 9:00 AM
Cosumnes CSD Board Chambers
8820 Elk Grove Boulevard
Elk Grove, CA

California Fire & Rescue Training Authority—(Kelly)

- Next Meeting: June 12, 2013 – 2:00 PM
Location: 9320 Tech Center Drive
Sacramento, CA

Finance Committee—(Scheidegger)

- Met today. Received an update on the financials.
- ✓ Revenue is down in the area of property tax revenue and the Community Risk Reduction Program (CRRP) in terms of collections. Working to improve the CRRP system.
- ✓ The financial reporting schedule will change to a bi-monthly report and be done on an alternating month basis.
- ✓ Internal control efforts update – there were 18 auditors' findings and 15 have been corrected to date.
- ✓ The District's Reserve Policy will be placed on the agenda at the Strategic Planning Special Board Workshop on May 23, 2013 for discussion.
- Next Meeting: May 9, 2013 – 5:00 PM

Policy Committee—(Pierson)

- Future dates will be determined as needed.

BOARD MEMBER QUESTIONS AND COMMENTS:**Monk:**

- Thanked the personnel for their hard work, especially the Finance Division.
- Participated in the Rio Linda Little League Parade over the weekend. Thanked everyone for their support on a day-to-day basis.

Jones:

- Congratulated all of the retirees to be honored tomorrow at the Retirement Dinner. Appreciate the number of years and commitment to the Fire Service.

Clark:

- Looking forward to attending the Retiree Dinner tomorrow night.

Goold:

- Thanked staff this evening for the presentation item with conservative projections and realistic ideas of what is happening in this community. Appreciated the conservative approach and finding the expertise of people out there with knowledge. It helps us and the community at large.
- Thanked the men and women of this department who are out there every day. He had a unique experience this week waking up in the morning to work with the crews in putting out a neighborhood fire. It was nice to see the professionalism and the cooperation of our men and women with the Citrus Heights police and the consideration taken of the people with special needs in this home. It emphasizes the importance of the Directors to support and model its efforts after them as well.

Kelly:

- Also looking forward to attending the Retiree Dinner tomorrow.
- Appreciated the staff reports presented this evening.
- Disappointed that the Fire Chief was not here on his birthday.

Holbrook:

- There is a unique opportunity for the Board to join the firefighters in this region on April 16 for a one-night showing of the movie "Burn" at the Crest Theatre, 7:30 p.m. It benefits the Detroit firefighters and is sponsored by the Cal Chiefs Training Officers and Local 522. It is not open to the general public.

CLOSED SESSION 6:50 PM

RECONVENE TO OPEN SESSION

Report by General Counsel Lavra:

1. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to California Government Code Section 54956.9(a) – Two (2) matters of Workers' Compensation Settlement Authority

- A. Steve Eggiman and the Sacramento Metropolitan Fire District
Claim #SMDD-404063 – (Deputy Chief Wells)

The Board voted 6-0, with Directors Orzalli, Pierson, and Wood absent, to give the District's Third Party Administrator authority to effectuate a settlement of the Workers' Compensation claim.

- B. Frank Miranda and the Sacramento Metropolitan Fire District
Claim #SMDH-547697 – Attorney Colin Connor

The Board voted 6-0, with Directors Orzalli, Pierson, and Wood absent, to give the District's Third Party Administrator authority to effectuate a settlement of the claim.

2. PERSONNEL MATTER –

Pursuant to California Government Code Section 54957

Title: Board Clerk's Evaluation

No action was taken.

ADJOURNMENT –The meeting adjourned at 7:40 p.m.

Matt Kelly, President

Grant B. Goold, Secretary

Charlotte Tilson, Clerk of the Board